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By-Laws and Regulations Amendments to Regulation 500 and Policy 6, Part I regarding Trader Registration and Proficiency Requirements

The Board of Directors of the Association has approved amendments to IDA Regulation 500 – Traders and Policy 6, Part 1 – Proficiency Requirements. The amendments remove a number of obsolete provisions and recognize the proficiency requirements of the exchanges which admit traders to use of their facilities. A copy of the amendments is attached.

Regulation 500 contained provisions for a number of Toronto Stock Exchange and Toronto Futures Exchange trader categories that were eliminated during the restructuring of securities and listed futures trading in Canada. The amendments create one category for all traders. The exchanges establish the requirements to obtain approval as a Trader under Regulation 500 in setting the requirements for access to their trading systems. As part of the agreement under which the Bourse de Montréal transferred its member regulation functions to the Association, the Association agreed to implement an approval process for those seeking to become Montreal Access System (SAM) traders. Such applicants will also be Traders under the revisions.

The revisions to Policy 6, Part 1 retain the Trader Training Course for TSX and TSX Venture Traders; that requirement is already included in the exchange rules and in the Universal Market Integrity Rules. However, the amendments to Policy 6, Part 1 automatically recognize any exemptions to the requirement granted by the relevant exchange, eliminating an existing duplication of exemption procedures. The revisions recognize the proficiency requirements of the Bourse de Montréal for SAM Traders.

Kenneth A. Nason
Association Secretary

Regulation 500 is repealed and replaced as follows:

“500.1. Application for approval as a Trader shall be made to the Association in such form as the Board of Directors may from time to time prescribe.

500.2. No person shall act as a Trader unless the person has satisfied the applicable proficiency requirements outlined in Part I of Policy No. 6.”

Policy 6, Part I, A. 5 is repealed and replaced as follows:

The proficiency requirement for a Trader under Regulation 500.2 is:

- a) for a Trader on the Toronto Stock Exchange or TSX Venture Exchange, the Trader Training Course, unless an exemption is granted by either exchange or its market regulation services provider.
- b) for a Trader on the Bourse de Montreal, the proficiency requirements determined to be acceptable by Bourse de Montreal.”